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U.S. House of Representatives
COMMITTEE ON THE BUDGET
Washington, DC 20515

August 17, 2001

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Bush Efforts to Shift Blame onto Prior Spending Don't Wash

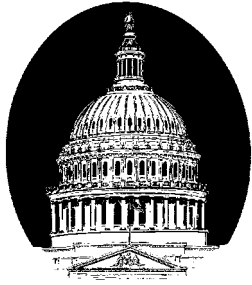
Dear Democratic Colleague:

In an effort to shift the blame for diverting the Social Security and Medicare surpluses away from their oversized tax cut, the Bush Administration and Congressional Republicans now are trying to blame large spending in 2000 for the deficit. Attached is an analysis by the House Budget Committee's Democratic staff. We provide six reasons why the Republicans can't pass the buck.

Please feel free to call me or the Budget Committee's Democratic staff with any questions.

Sincerely,

John M. Spratt, Jr.
Ranking Democratic Member



HOUSE BUDGET COMMITTEE

Democratic Caucus

The Honorable John M. Spratt Jr. ■ Ranking Democratic Member

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In an effort to shift the blame for diverting the Social Security and Medicare surpluses away from their oversized tax cut, the Bush Administration and Congressional Republicans now are trying to blame large spending in 2000 for the deficit. But for the following six reasons, Republicans can't pass the buck.

1. **The spending increase from 2000 to 2001 was only slightly above inflation.** Total outlays increased by 4.5 percent from 2000 to 2001, while inflation was 3.7 percent.
2. **The Republican Congress spent more than President Clinton requested.** The budget resolution level set last year was never realistic, and many congressional Republicans stated so publicly. It is thus not surprising that appropriations exceeded the unrealistic budget resolution target. What many observers forget, however, is that the Republican Congress exceeded President Clinton's request by \$6 billion in budget authority and \$2 billion in outlays. When Mr. Fleischer criticizes last year's Congress, he is criticizing his own party's spending priorities.
3. **The President is proposing to increase the 2001 appropriations level by 7 percent in 2002.** While the Bush Administration decries the level of 2001 appropriations, they propose increasing it by 7 percent in 2002 (when the President's \$18.4 billion increase for defense is included).
4. **The President and Congressional Republicans never rescinded "pork barrel" projects or other items that "busted the budget."** When President Bush took office, more than eight months remained in fiscal year 2001. The Bush Administration had ample opportunity – even the responsibility – to eliminate any wasteful or unnecessary appropriations, but chose not to do so.
5. **The President added funding to 2001.** Two separate bills increased funding by \$12 billion in 2001. The President proposed an additional \$6.5 billion for a supplemental spending bill and Congress kept to his limit. The President also signed into law a \$5.5 billion agricultural assistance bill for 2001 that had been included in the Republican Congressional budget resolution.
6. **The President should have taken into account the possibility of an economic downturn in his budget.** The President's budget in all years did not leave any margin for weaker revenues, even as economic evidence prior to his taking office pointed to a weakening economy. The President's tax cut totaled \$74 billion in 2001, which was 80 percent of the non-Social Security, non-Medicare surplus prior to the updated surplus forecasts.